Alaska’s Forest Industry: Timber Harvest and Recent Trends

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PNW-FIA 2013 Client Meeting
May 15, 2013
What is Timber Products Output (TPO)?

Part of FIA that provides information on wood use.

Accomplished with:

- Mill surveys
- Logging utilization studies
- Firewood and other studies
- Plot data
Why is TPO important?

Timber products and logging residues are “components of change.”

Accurate accounting of total removals and wood utilization relies on TPO data from mill and field studies.

TPO information is not duplicated within FIA.

- Removals for timber products are only partially captured by plot data.
- Info on timber processors, logging residue, and mill residue are not captured at all by plot data.
TPO in the West

BBER = Bureau of Business & Economic Research

- Complete census of timber processors
- Logging utilization studies
- Data, analysis, & publications

Timber Harvest and Industry Reports

Alaska 2005, 2011
Nevada, Wyoming 2005, 2010
Montana 2004, 2009
Oregon 2003, 2008
Forest Industry Analysis

- Western States
- Describe industry structure, capacity, condition, and changes
- Track wood fiber from forest to marketplace
- Associate key economic indicators
Background for the 2011 Alaska census: the “Great Recession”

(from Keegan et al. 2012)
• **Primary Production**, not secondary!
• **Mill type**, capacity, equipment, employment
• **Timber harvest** volume, use, species, county, & ownership
• **Mill residue** & wood fiber use
• **Product** volume, sales, & geographic distribution
Alaska’s timber harvest by ownership

(Data from Zhou and Warren 2012)
Alaska active timber processing mills

Alaska Resource Areas and Primary Forest Products Manufacturers, 2011
- Sawmills
- House log/Log home
- Log Furniture
- Biomass/Wood Pellet
- Other mills
- 37 mills were inactive in 2011.
- 12 active mills closed between 2005 and 2011.
- 17 active mills were mothballed (inactive).
Timber volume received by primary mills by resource area

- Southeast
- South-central & Western
- Interior

Resource Area

2005
2011
Timber volume received by primary Alaskan facilities, by ownership origin (log export facilities not included)
Alaskan 2011 lumber & sawn products production by resource area

Alaskan 2011 house log production by resource area
- In 2011 27% of mill coarse residues were used for fuel, compared to 11% in 2005.
- In 2011 firewood sales made up 15% of all AK wood product sales.
Note: In 2005 Alaskan mills operated at 21.4% of total capacity, compared to 15% in 2011.
Destinations of Alaska's primary wood products & residue: % sales value (2011 $)

2005
- West Coast: 59.4%
- Alaska: 36.5%
- Other States: 3.0%
- Canada: 0.9%
- Other Countries: 0.3%

2011
- West Coast: 17.4%
- Alaska: 74.8%
- Other States: 5.5%
- Canada: 2.3%
2002-2011 Alaska log exports

(Source: S. Alexander 2012)

Note: In 2011 log exports represented 88% of total sales value, compared to 76% in 2005.
Primary employment - Alaska's forest products industry
1969-2011
(U.S. Department of Commerce 2012; S. Alexander 2012; BBER estimated data)

Note: Total Alaska active mill FTE employment from 2011 census = 150.
In Summary: 2005 vs. 2011

- Total number of active facilities changed little, but many were mothballed or closed completely.

- Timber volume received and lumber and houselog production declined +/- 50%.

- Wood for fuel: Large increases in Interior demand and sales.

- Mill capacity utilization: Down to 15% in 2011! Potential for substantial increases in production.

- Log Exports: Large increases- huge ramp-up in Asian demand, particularly for lower quality logs.
Special thanks:
Micah Scudder, Chelsea McIver, Colin Sorensen- BBER
Susan Alexander, USDA FS PNW Research Station
Dan Parrent, USDA FS State and Private Forestry
Allen Brackley, USDA FS PNW Research Station
Glenn Christensen, USDA FS PNW FIA
Juneau Economic Development Council
Alaska Dept. of Nat. Resources Division of Forestry- many indiv...

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